



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



JENNIFER M. GRANHOLM
GOVERNOR

MICHAEL P. FLANAGAN
SUPERINTENDENT OF
PUBLIC INSTRUCTION

January 4, 2010

MEMORANDUM

TO: Superintendents and Principals of High Priority Schools
Public School Academy Management Companies and Authorizers

FROM: MaryAlice Galloway, Director
Office of Education Improvement & Innovation

SUBJECT: Utilization of Unspent Title I Funds Set-Aside for Choice/Transfer (C/T)
and Supplemental Educational Services (SES)

Local Education Agencies (LEAs) with Title I schools that are identified for School Improvement, Corrective Action, or Restructuring under the *No Child Left Behind Act of 2001* (NCLB) are obligated to set aside an amount equal to 20 percent of the LEA's Title I allocation to pay for transportation related to C/T and SES (free tutoring) for the academic year. The 20 percent set-aside may consist of Title I funds, general funds, or other appropriate funds. This also includes American Recovery and Reinvestment Act (ARRA) Title I funds unless your LEA has applied for a waiver to exclude them from this obligation.

The Michigan Department of Education (MDE) recognizes that LEAs may not expend the entire 20 percent set-aside for C/T and SES this academic year. Any LEA that wishes to utilize unspent Title I funds from its 20 percent obligation for other allowable activities must, at a minimum, meet the following criteria as set forth in the Title I Final Regulations of October 2008:

1. Provide evidence the LEA has engaged in or attempted to engage in partnerships, to the extent practicable, with outside groups to help inform students and parents of the opportunities to transfer to another public school or receive SES.
2. Demonstrate that students and their parents have had a genuine opportunity to sign up to transfer to another school or obtain SES by doing all of the following:
 - a. Providing evidence that timely, accurate, and multiple notices were sent to parents.
 - b. Providing evidence of multiple methods used to notify parents.

STATE BOARD OF EDUCATION

KATHLEEN N. STRAUS – PRESIDENT • JOHN C. AUSTIN – VICE PRESIDENT
CAROLYN L. CURTIN – SECRETARY • MARIANNE YARED MCGUIRE – TREASURER
NANCY DANHOF – NASBE DELEGATE • ELIZABETH W. BAUER
REGINALD M. TURNER • CASANDRA E. ULBRICH

608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
www.michigan.gov/mde • (517) 373-3324

- c. Providing evidence of notifications in multiple languages (if applicable).
 - d. Providing evidence that sign-up forms were made widely available and accessible and that they were distributed directly to all eligible students and their parents.
 - e. Providing evidence that a minimum of two enrollment periods were offered at separate points in the school year.
 - f. Providing evidence that enrollment periods were of sufficient length (at least 30 calendar days) to enable parents of eligible students to make informed decisions about requesting services and selecting an SES provider.
 - g. Providing evidence that SES providers were given access to school facilities on the same terms as were available to other groups that seek to use school facilities.
3. Provide the number of students who transferred, number that are receiving SES, and costs associated with each.
 4. Provide documentation detailing and accounting for the amount that will be reserved to continue supporting the students receiving transportation or SES.
 5. Inform the MDE of the amount of funds remaining from the 20 percent obligation the LEA intends to spend on other allowable activities.
 6. Maintain records demonstrating that the LEA has met these criteria and has notified the MDE that it has met the criteria.

The required evidence should be submitted electronically to your Office of Field Services (OFS) regional consultant that approves your Consolidated Application in the Michigan Electronic Grants System (MEGS). LEAs should contact their OFS regional consultant during the amendment window (ending January 29, 2010) to ensure that unspent Title I funds used to satisfy the 20 percent set-aside obligation are used for other allowable purposes. Approval of budget amendments is contingent upon receipt of the above mentioned evidence by your OFS regional consultant.

Allowable Uses of Title I Funds

- Plan and implement a summer program
- Plan and implement an extended year program
- Implement an early start program in August
- Provide other after school tutoring (separate and distinct from SES)
- Expand a service offered in the Title I eligible schools for the remainder of this school year.

These are just a few of the possible choices to avoid excessive carryover amounts that exceed the 15 percent limits associated with Title I funds.

Page 3
January 4, 2010

NOTE: LEAs that have received a waiver to exceed the 15 percent carryover limit more than once every three years for both or either regular and ARRA Title I funds must make their OFS regional consultant aware of this information.

Thank you for your prompt attention to this communication. If you have questions or need more information, please feel free to contact Bill Witt or Leah Breen at 517-373-4004 or mde-ses@michigan.gov.